Borderlands Mexico: Mexican ports' cargo volumes surge in January

Ports across Mexico moved 728,116 twenty-foot equivalent units during the month

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Mexico's Port of Manzanillo, the country's busiest container port, moved 309,251 twenty-foot equivalent units in January, a 13.8% year-over-year increase from January 2023. (Photo: Mexico's National Port System Administration)

Mexico's major ports handled 728,116 twenty-foot equivalent units during January, a 20% year-over-year (y/y) increase in total container volume for the country's 18 ports, according to Mexico's <u>naval ministry</u>.

The country's nine Pacific Coast ports handled the bulk of container movements in January, totaling 532,534 TEUs for the month.

Mexico's two largest Pacific Coast ports — Manzanillo and Lazaro Cardenas — reported record container movements for the month of January.

The Port of Manzanillo, the country's busiest container port, reported 309,251 TEUs in January, a 13.8% y/y increase compared to the same period in 2023.

The Port of Lazaro Cardenas reported 185,406 TEUs in January, a 40% y/y increase compared to the same month last year.

Siddharth Priyesh, vice president of the Americas and Caribbean at CrimsonLogic, said more foreign manufacturers nearshoring their operations into Mexico — especially the border city of Tijuana — has boosted containerized freight import volumes into the country.

"You've had full-fledged new industries get created out of pretty much nowhere at the Tijuana border with the nearshoring that is happening there," Priyesh told FreightWaves. "Companies are in fact bringing goods in there or doing some other manufacturing in the factories there and then actually trucking products across the [U.S.-Mexico] border."

CrimsonLogic is a Singapore-based global technology company specializing in technology-enablement in the fields of trade facilitation and compliance, port operations, government services, and logistics.

"In the last five to six years, we've seen some of our clients grow 10 to 20 times in the size of their businesses, so nearshoring is definitely there and it's a sustained pace so far," Priyesh said. "We can take our customers' tools that we have visibility with [W]e still see them doing millions of

transactions and dozens and dozens of trucks crossing the border with the products and factories set up right across the border."

Mexico's Gulf Coast ports reported a total 195,582 TEUs in January, an 18.8% y/y increase compared to the same month in 2023.

The Port of Veracruz was Mexico's busiest Gulf Coast container port in January, totaling 99,765 TEUs, a 13.1% y/y increase. The second-busiest Gulf Coast port was Altamira, totaling 76,646 TEUs, a 29.5% y/y increase.

Priyesh said containerized freight movements bound for the United States are also showing positive signs, with imports showing a 9% y/y increase in December.

"It's really built on the foundation of increased demand from consumers," Priyesh said. "Based on what we are seeing, it is actually sustained demand. At CrimsonLogic, we provide a lot of these services that are linked with a lot of e-commerce shipments coming in. We actually saw volume sustained well into January, and it is on the back of direct cross-border business to consumer orders being placed. In order to service that, obviously, you need goods to be coming in, which is what is typified by the increased container volumes and shipments. If you think about it from a macro level, it really means that the overall sentiment has gone up to a level where people are comfortable placing a lot of orders in advance."